

FISCAL NOTE

Bill #: SB0245 **Title:** Require sulfur dioxide emission control plans
Primary Sponsor: Bohlinger, J **Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
State Special Revenue	\$96,564	\$96,564
Revenue:		
State Special Revenue	\$96,564	\$96,564
Net Impact on General Fund Balance:	\$0	\$0

<input type="checkbox"/> Significant Local Gov. Impact	<input type="checkbox"/> Technical Concerns
<input type="checkbox"/> Included in the Executive Budget	<input type="checkbox"/> Significant Long-Term Impacts
<input type="checkbox"/> Dedicated Revenue Form Attached	<input checked="" type="checkbox"/> Needs to be included in HB 2

Fiscal Analysis

ASSUMPTIONS:

1. The Billings/Laurel area currently has multiple sources of sulfur dioxide (SO₂) located in close proximity and an EPA requirement to develop a SO₂ State Implementation Plan (SIP) to address federal SO₂ standards. SB 245 requires the development of an additional SO₂ emission control plan addressing the state 1-hour SO₂ standard as modified by SB 245.
2. East Helena currently has multiple sources of SO₂ and an EPA requirement to develop an SO₂ SIP addressing federal SO₂ standards. The ASARCO lead smelter is temporarily shut down. However, ASARCO continues to have potential SO₂ emissions in East Helena. Therefore, SB 245 will require the development of an additional SO₂ emission control plan addressing the state 1-hour SO₂ standard as modified by SB 245.
3. Development of state 1-hour SO₂ emission control plans will be triggered by computer-modeled SO₂ exceedances, not necessarily on monitored SO₂ exceedances. The emission control plans will require use of computer modeling to establish emission limitations necessary to protect the Montana 1-hour SO₂ standard as modified by SB 245.
4. Development of state 1-hour SO₂ emission control plans for the Billings/Laurel area and East Helena will require 0.50 FTE over a two-year period for purposes of computer modeling. However, the negotiation, development, and adoption of emission control plans will not require additional FTE. Existing air quality planning staff would perform the required process.

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(continued)

5. Implementation of state 1-hour SO₂ emission control plans for the Billings/Laurel area and East Helena will require substantial reductions in allowable SO₂ emissions and minor-to-moderate reductions in actual SO₂ emissions.
6. DEQ will be able to negotiate state 1-hour SO₂ emission control plans with each affected source. No contested case hearings will be presented before the Board of Environmental Review (BER).
7. Development of a new 5-minute SO₂ ambient air quality standard will require 0.50 FTE over a two-year period for purposes of developing, negotiating, and presenting the standard and the technical support document to BER for approval.
8. DEQ will have the ability to collect sufficient air quality operating fees to offset the additional expenditures.
9. DEQ will require an additional \$50,000 for the purposes of developing the technical support documentation.

FISCAL IMPACT:**Department of Environmental Quality (Pgm 20)**

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
FTE	1.00	1.00
<u>Expenditures:</u>		
Personal Services	\$43,688	\$43,688
Operating Expense	<u>52,876</u>	<u>52,876</u>
TOTAL	\$96,564	\$96,564
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$96,564	\$96,564
<u>Revenues:</u>		
State Special Revenue (02)	\$96,564	\$96,564
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	0	0